



CITY OF DANBURY

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PLANNING & ZONING DEPARTMENT
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To: Janice Giegler, Town Clerk

From: Sharon B. Calitro, AICP, Planning Director *SC*

Date: May 23, 2022

Re: City of Danbury 2022 Affordable Housing Plan

In accordance with CGS Section 8-30j(b), attached please find a copy of the 2022 City of Danbury Affordable Housing Plan as approved by the Planning Commission on May 18, 2022. The legal notice was filed in the Town Clerk's office on May 19, 2022 and was published on May 20, 2022.

If you have any questions, do not hesitate to contact me.

Attachment: Approved 2022 City of Danbury Affordable Housing Plan

FILED FOR RECORD
CITY TOWN CLERK
2022 MAY 23 A 8:20

SC



City of Danbury 2022 Affordable Housing Plan



Acknowledgments

The City of Danbury Affordable Housing Plan Committee was formed in 2021 to spearhead preparation of the Affordable Housing Plan and create a constituency for advocating for more affordable housing in Danbury. I thank the members of the Committee for their time and valuable input in the creation of this Plan. Additionally, I thank the many City residents, stakeholders, and community partners who participated in the process via the survey and public forum on affordable housing.

The planning process has been inclusive and the recommendations contained in this Plan will help create opportunities for the creation of more affordable housing in Danbury that is appropriate for and meets the needs of our residents.



Dean E. Esposito
Mayor
City of Danbury

Affordable Housing Plan Committee

City of Danbury Department of Planning and Zoning

Sharon B. Calitro, AICP, Planning Director, Plan Coordinator

Jennifer Emminger, AICP, Deputy Planning Director

Allie Smith, Planning Intern

Additional Committee Members

Ari Rosenberg, Executive Director, Association of Religious Communities

Christie Stewart, Director, Fairfield County's Center for Housing Opportunity

Denise Chance, Public Health Inspector, City of Danbury Department of Health and Human Services

Jennifer Delaney, Director of Operations, City of Danbury Housing Authority

Kara Prunty, Director, City of Danbury Department of Health and Human Services

Paul Rotello, Minority Leader, City of Danbury City Council

Perry Salvagne, City of Danbury Planning Commission

PJ Prunty, Executive Director/CEO, Greater Danbury Chamber of Commerce

Robert Botelho, Victorian Associates, Local Developer

Robert Taborsak, Former Member of City of Danbury City Council

Theodore J. Haddad, Jr., Chairman, City of Danbury Zoning Commission

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Plan Prepared By:



What is Affordable Housing?

Affordable housing as referenced in this Plan is defined by Connecticut General Statutes (CGS) Section 8-30g. As adopted by the US Department of Housing and Urban Development and as per Statute, housing is considered affordable if the cost of rent or home ownership including utilities is not more than 30% of a household's gross monthly income for households with an income at or below 80% of the area median income.

The State restricts the units that may contribute to a town or city's inventory of affordable housing to the following types of housing:

- Assisted housing receiving financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing, and any housing occupied by persons receiving rental assistance under federal law.
- Housing financed by a Connecticut Housing Finance Authority (CHFA) mortgage.
- Housing that is subject to a deed recorded on the municipality's land records containing a covenant or restriction requiring it be sold or rented at, or below, prices which will preserve it as housing, for a defined period of time, for which persons and families pay 30% or less of income, where such income is less than or equal to 80% of the median income.



Introduction

Welcome to Danbury's Affordable Housing Plan, hereinafter the "Plan". This Plan was developed to address housing affordability throughout Danbury to ensure the City remains a thriving and equitable place. This plan was also prepared as required by CGS 8-30j, which mandates that each municipality in Connecticut prepare or update an affordable housing plan at least once every five years. This Affordable Housing Plan was guided by a 14-member Affordable Housing Plan Committee. The Committee met regularly over several months with City staff and consultants to review data, discuss an outreach approach and findings, and to develop this Plan. Danbury's vision statement for affordable housing is as follows:

Danbury will foster the sustainable growth of quality housing that will accommodate and be accessible to all residents, through different stages of life, with a focus on inclusion, equity, and affordability.

This Plan documents the need for affordable housing in Danbury based upon existing supply, demographic trends, and housing market conditions. In response to affordable housing need, the Plan identifies the following six goals specific to increasing the supply of affordable housing and expanding the diversity of housing options available within Danbury:

- **Goal 1:** Increase the supply and range of affordable housing in Danbury and maintain an affordable housing supply in excess of existing supply.
- **Goal 2:** Maintain and increase the supply of housing designed for or occupied by seniors with emphasis on affordable units.
- **Goal 3:** Increase the supply of housing in, and proximate to, Danbury's Downtown with an emphasis on affordable units.
- **Goal 4:** Foster relationships that ensure that the housing needs of the City's most vulnerable residents are met.
- **Goal 5:** Administer, educate, and support affordable housing initiatives.
- **Goal 6:** Increase the number of homes in Danbury that are accessible to those with mobility limitations or other disabilities.

The Plan also provides strategies, that can be implemented by the City, for achieving the stated goals to meet the vision.

Based on the analysis of Danbury's demographics and housing market conditions contained in this Plan, there is a gap in both home ownership and rental units for low to extremely low income households. While there exist affordable units in the City that may meet the statutory definition as affordable (see preceding page), these units do not necessarily meet the specific needs for a sizable portion of Danbury's residents. To that end, strategies outlined in this Plan have been formulated to target and/or incentivize the development of affordable housing units for those residents.

This Plan also seeks to assist the City in maintaining a supply of affordable housing in excess of 10% of its total share of housing. Connecticut Statute 8-30g establishes a de facto objective of a 10% minimum affordable housing supply for every municipality in Connecticut. Communities that do not achieve or maintain a 10% affordable housing supply, or sufficient progress towards that objective, are subject to affordable housing developments that bypass local zoning regulations.





Development of the Plan

To comply with the State mandate to prepare an affordable housing plan, the City of Danbury Departments of Health and Human Services and Planning and Zoning jointly initiated the plan process, and the City retained the services of FHI Studio, the firm also preparing the 2023 update of the City's Plan of Conservation and Development (POCD).


To advocate for the Plan, help ensure common support, and be inclusive in the process, the City in August 2021 invited several community members interested in affordable housing to be part of the City's Affordable Housing Plan Committee.


Developing the Plan required an assessment of community demographics and market conditions. As important to the process was the development of a complete community engagement program. This program included the following engagement tools and strategies:

- **Establishment of an Affordable Housing Plan Committee:** A committee of 14 members was formed to guide the Plan's development. The Committee met monthly over nine months with the project team to guide the process and provide Plan content.
- **Webpage:** Meeting agendas, minutes, and presentation materials were provided on dedicated webpage on the City's website.
- **Online Survey:** An online survey was conducted in January and February of 2022. The survey was promoted on the City's website, through email blasts, flyer postings, and social media.
- **Key Stakeholder Interviews:** Interviews were conducted with City department heads, commission and committee chairs, and outside organization directors and advocates, as part of the City's concurrent POCD update, to discuss issues related to housing.
- **Virtual Public Workshop:** A virtual public workshop on affordable housing was conducted in January of 2022 via Zoom Webinar. Attendees participated in the workshop through questions and comments.
- **Focus Group Meeting:** A focus group meeting on housing with residents, property owners, business owners, board and commission members, and City staff was conducted in January of 2022. The focus group meeting was conducted as part of the concurrent POCD update.
- **Plan Review:** In addition to City and Committee review, the Plan was submitted to City Council and the Planning Commission for review and comment prior to a public hearing for adoption by the Planning Commission.

Virtual Public Workshop for Danbury's Affordable Housing Plan

Please join our virtual workshop to discuss your thoughts and concerns about housing affordability in Danbury. The City is in the process of preparing an Affordable Housing Plan and your input will be valuable in developing policies that will guide the City in meeting the affordable housing needs of Danbury's residents.

 **Monday**
January 24th, 2022

 **6:00-8:00 pm**

Zoom
<https://bit.ly/3H0BI1N>



Questions? Contact Sharon Calitro, Planning Director, at 203-797-4525.

Take the Affordable Housing Survey!

Tell us your thoughts and concerns
regarding affordable housing in Danbury.
www.surveymonkey.com/r/DanburyAHP

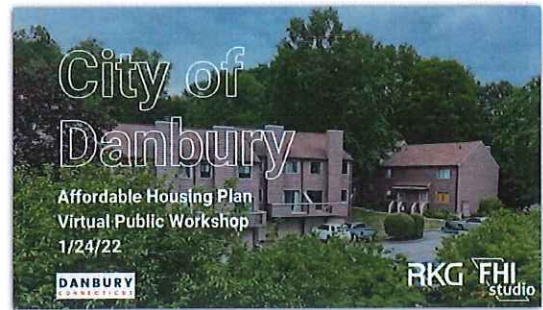


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Workshop Findings

The Affordable Housing Plan virtual workshop was conducted in January of 2022 and generated discussion about the key issues related to housing and housing affordability in Danbury. The workshop was comprised of a presentation of housing related research and findings and a discussion of issues and ideas relative to housing needs. The following issues were identified by participants:



- *Danbury needs to protect neighborhoods from impacts of growth such as traffic.*
- *Housing vouchers are not useful if rents are too high, or units are not available.*
- *Out-of-state residents with high incomes flocking to the Danbury area since the start of the pandemic has resulted in a drop in housing supply and soaring rental costs.*
- *Eviction rate is going up and a lot of people were out of work during the pandemic. This exacerbates a challenging housing situation.*
- *All populations in the lower income groups need affordable housing including young adults who are starting off in their careers.*
- *Concern about the role of homeless shelter(s) drawing people from other towns. Danbury is not a hub, nor does it want to be, drawing homeless people from surrounding towns.*
- *Concern about Danbury's capacity to accommodate more growth- drinking water capacity, school capacity, etc.*
- *Rising rental cost, particularly over the last two years, is a concern.*

The virtual workshop also generated a discussion of ideas for addressing housing and affordable housing needs in Danbury. The following ideas were introduced by participants:

- *Senior housing should be included within considerations for affordable housing.*
- *Consider establishing requirements for the inclusion of affordable housing in new developments.*
- *Bolster the State rental voucher program.*
- *The City should coordinate with surrounding towns to increase their affordable units.*
- *Place affordable housing in areas near transit and economic centers, change zoning regulations as needed to support that goal.*
- *There should be no place off-limits for affordable housing.*
- *Need to determine what type of affordable housing is best for Danbury.*
- *Housing Downtown and close to transportation options would be good for seniors.*
- *Multi-generational housing should be considered.*
- *Danbury needs more aging-in-place housing and workforce housing.*
- *Need for housing Downtown that is attractive to younger age groups.*





Survey Findings

To obtain further public input on the issue of housing affordability and needs in Danbury, the Committee with its consultant designed and released an Affordable Housing Survey. A total of 225 people participated in the survey. Additionally, the POCD survey, conducted prior to the Affordable Housing survey, included questions related to housing. Over 1,200 people participated in the POCD survey.

The following information was collected from the Affordable Housing survey participants:

- Participants live across Danbury and a small number of participants live outside of Danbury.
- Half of participants have lived in Danbury for 20 years or more, only 13% of participants have lived in Danbury for less than five years.
- Two-thirds of participants are homeowners.
- Participants from a range of household sizes were well represented in the survey.
- Participants from a range of age groups and household incomes were also well represented.

Participants expressed the following views regarding housing in Danbury:

- 60% believe that there is not enough housing available in Danbury today to meet future needs.
- 62% believe that housing in Danbury is not affordable for the average resident.
- 70% are concerned about the cost of housing or homeownership in Danbury.
- 65% have struggled, or know someone who has struggled, to afford their housing in Danbury.
- The top three concerns regarding housing in Danbury were identified as: lack of affordable rental units, overcrowding, and lack of affordable ownership housing units.
- Downtown Danbury was slightly preferred over other areas of Danbury for new affordable housing development, but all areas of the City were identified as appropriate. 20% of participants did not favor the construction of new affordable housing anywhere in Danbury.
- Participants favored rental units comprised of senior and age restricted housing and two-bedroom units over studio units or four-bedroom units.
- 55% of participants felt that more rental housing units will have a positive impact on Danbury whereas 76% of participants felt that more ownership housing units will have a positive impact on Danbury.
- Participants favored 1-3 bedroom houses over townhouses, 4 bedroom homes, or luxury homes. Participants were evenly divided on the need for more ownership senior and age-restricted housing in Danbury.
- Participants strongly expressed the need for more rental and ownership affordable housing in Danbury with a preference for additional affordable rental units.

Participants most commonly identified the following concerns, needs, or ideas in the survey comments:

- Concern about the cost and availability of housing.
- Displacement of residents and an increase in rental costs due to influx of residents from outside of Danbury.
- Concerns about overcrowding.
- Concerns about impact of development on schools and City services.
- Perception that affordable housing lowers property values.
- Meeting the needs of the City's most vulnerable residents vs concern about attracting those with need.
- Need for housing for all age groups with emphasis on seniors and young adults.
- Downtown area most desirable for more housing, but entire City should be considered.
- Need for a greater variety of housing.

Danbury Affordable Housing Survey

Welcome to the City of Danbury's Affordable Housing Plan Survey

The State of Connecticut now requires every municipality in the State to adopt an affordable housing plan by June 1, 2022. This survey will provide the City valuable feedback on the issue of affordable housing that will assist with preparing the City's affordable housing plan.

"Affordable Housing" as defined by the State includes housing that is subsidized with housing vouchers, housing provided by a housing authority for those with a limited income, and housing which is deed restricted to limit rental cost or purchase price so that the housing remains affordable.

This survey will take about seven minutes to complete.

Affordable Housing Trends

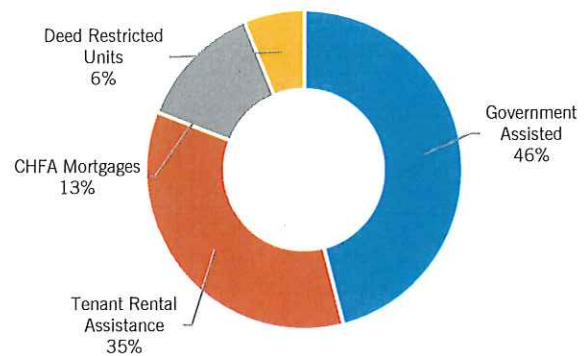
As published by the State of Connecticut Department of Housing on the 2021 Affordable Housing Appeals list, Danbury has 3,596 affordable housing units qualifying under CGS 8-30g. Of these units, nearly half (46%) are comprised of government assisted housing units while 35% are in the form of tenant rental assistance units. The balance of affordable housing units is comprised of CHFA mortgages (13%) and deed restricted units (6%).

Danbury's rate of affordable housing has fluctuated over the last twenty years. As of 2021, the City's affordable housing rate was 11.54%, down from a recent high of 12.0% in 2020 and slightly below the 2002 affordable housing rate. The rate is determined by dividing the City's total number of qualified affordable housing units by its total number of housing units as reported by the last decennial census (2010 census). Based upon that census, and as reported in Connecticut's 2021 Affordable Housing Appeals List, Danbury had 31,154 total housing units.

Multiple factors affect the City's affordable housing rate with the biggest year-to-year changes seen in the number of units qualifying under the tenant rental assistance program and CHFA mortgages. In addition, most deed restricted units are time-limited with a varying number of deed restrictions expiring from year-to-year.

The City's share of affordable housing is also impacted by the City's total supply of housing as measured by the decennial US Census. Preliminarily released 2020 census data indicates an increase in the total supply of housing in Danbury, which without a commensurate increase in the number of qualified affordable units, will reduce the City's affordable housing rate in the future as reported on the State's affordable housing appeals list.

Affordable Housing Composition in Danbury (2021)

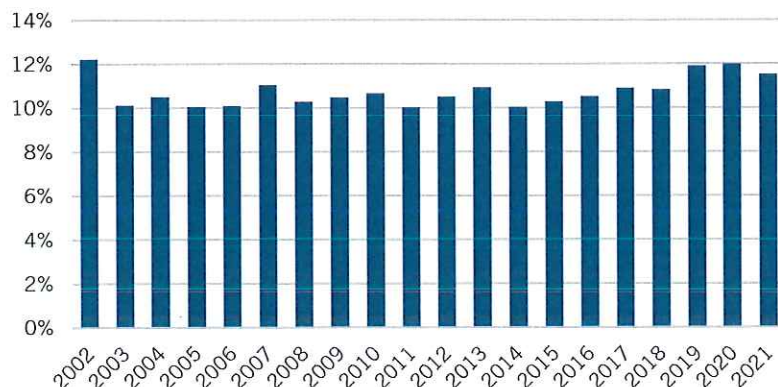


Source: CT Department of Housing

Affordable Housing Type	Number of Units (2021)
Government Assisted	1,652
Tenant Rental Assistance	1,258
CHFA Mortgages	465
Deed Restricted Units	221
	3,596

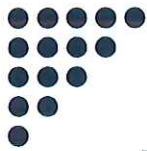
Source: CT Department of Housing

Affordable Housing Rate in Danbury (2002-2021)



Source: CT Department of Housing





Housing Needs Assessment

The housing needs assessment includes a review of demographic trends in Danbury, the City's housing supply, economic indicators, housing market conditions, and housing affordability based upon those economic and market conditions.

Demographic Trends

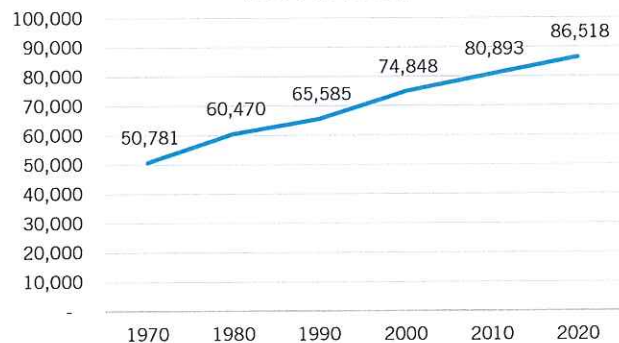
Danbury experienced consistent population growth over the past fifty years with 70% growth over that time. As of 2020, the City's population was 86,518. While growth has consistently been positive, population growth has slowed to 7% over the last decade.

Population change has not been consistent across all age groups in Danbury. Between 2010 and 2020, Danbury experienced population loss in six age cohorts including children under 5 years old and adults between the age of 25 to 54 (with exception of the 40 to 44 age group). These losses were offset by significant gains in population of those age 55 and older and less dramatic growth in the population of school-aged children.

These population trends suggest that Danbury struggles to retain and attract young adults. Additionally, Danbury's population is aging; it has a large population of Baby Boomers that have remained in Danbury. If these trends continue, a more sizable share of Danbury's population will be age 65 or older.

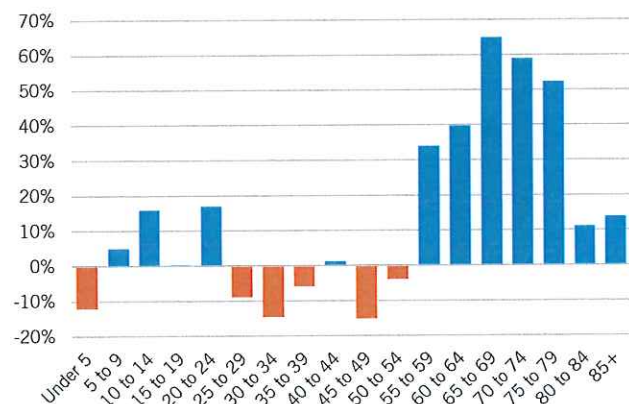
Population projections conducted by the State suggest that Danbury will continue to grow over the next two decades and that growth is projected to outpace growth in Connecticut and in Fairfield County (for which there are currently negative growth projections). According to State demographers, Danbury is projected to grow in population by nearly 10% by 2040. Assuming this growth is realized, Danbury could reach a population of nearly 95,000 residents by 2040. It is worth noting that the State's population projections were released in 2017 based upon multiple factors such as birth rates, death rates, and migration patterns. These projections do not, however, account for migration and population shifts attributed to COVID-19, which may amplify the projections for Danbury and may reverse the projections for Fairfield County.

Danbury's Population
(1970 to 2020)



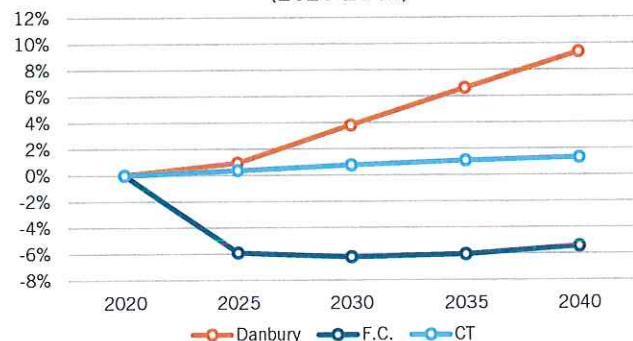
Source: US Census Bureau

Danbury Population Change by Age Cohort
(2010 to 2020)



Source: 2010 US Census & 2016-2020 American Community Survey

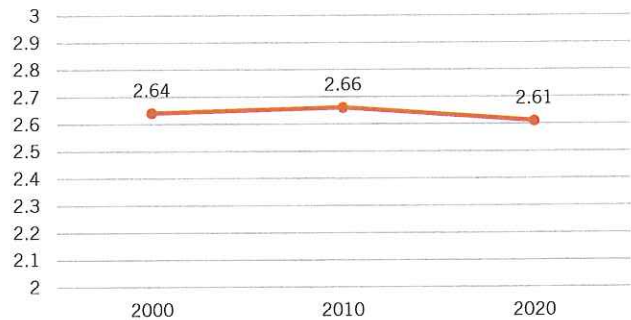
Projected Population Change
(2020-2040)



Source: CT Department of Economic & Community Development, 2017.

As of 2020, Danbury had 31,074 households (a household consists of all the people who occupy a housing unit). *Danbury's number of households is fewer than its total number of housing units due in part to housing vacancies across the City.* The City's average household size decreased slightly over the past two decades. At its current 2.61 persons per household, Danbury is above the national average of 2.52 persons per household. Danbury's households have, however, slightly shifted towards one-person and four- or more-person households over the past decade. Accompanying this shift are fewer households with two and three persons over the same period.

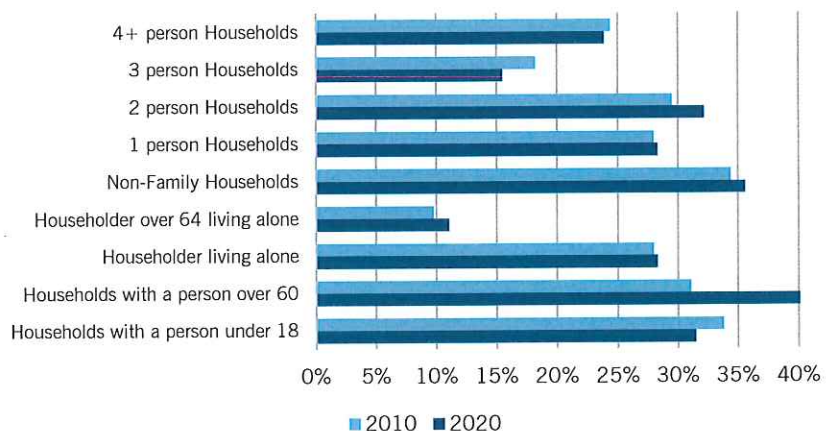
Average Household Size in Danbury (2010-2020)



Source: 2000 & 2010 US Census & 2016-2020 ACS

Danbury has seen a marginal growth in households with persons living alone, from 28% in 2010 to 28.3% in 2020. Most of the growth in this household type came from householders over the age of 64 living alone. Additionally, households with a person over the age of 60 grew by nine percentage points over the same period while households with a person under 18 contracted by almost two percentage points. These shifting demographics suggest the need for more housing for seniors who live alone.

Household Characteristics in Danbury (2010 vs 2020)

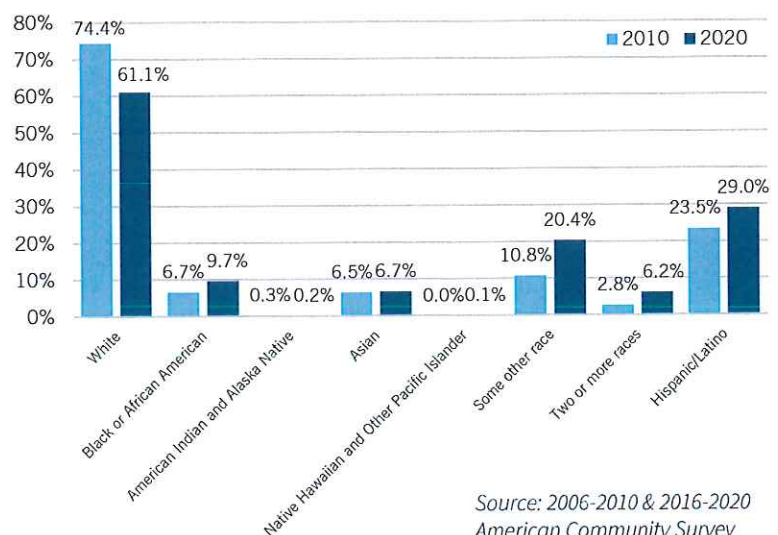


Source: 2010 US Census & 2016-2020 American Community Survey

Between 2010 and 2020, the racial and ethnic composition of Danbury's residents became increasingly diverse. As of 2020, there are fewer residents in Danbury who identify as White only, and more residents who identify as Black or African American, Hispanic or Latino, and those who identify as Some Other Race. These demographic shifts are similar to those experienced by many communities across Connecticut.

The demographic composition of Danbury's population is relevant to the discussion of housing affordability as many minority groups have historically had lower incomes and lower homeownership rates (according to US Census data). A shift towards a more diverse population suggests the need for additional affordable housing and homeownership opportunities for families with lower incomes.

Population Demographics (2010 vs 2020)



Source: 2006-2010 & 2016-2020 American Community Survey

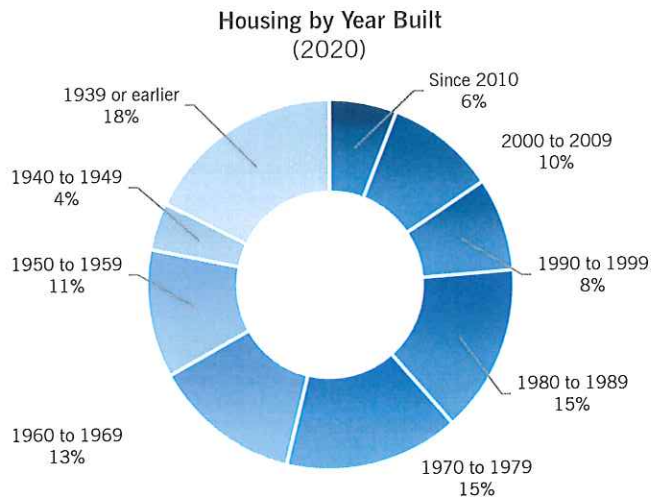




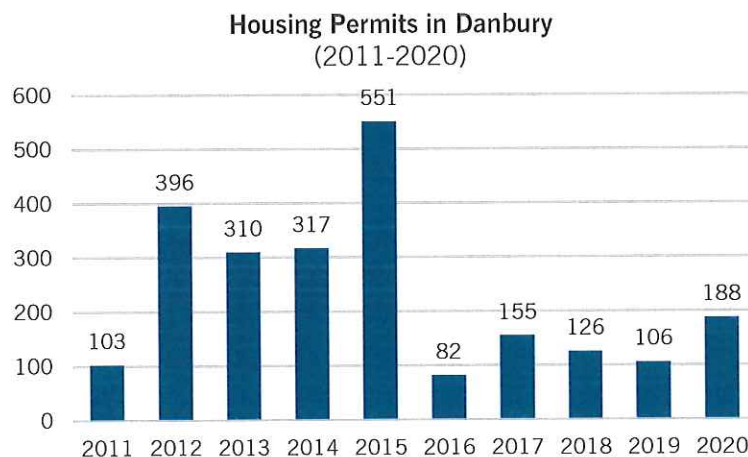
Housing Stock

Danbury has 33,562 housing units (according to the 2020 American Community Survey). This represents an increase of 2,408 housing units since the 2010 Census. The City's housing stock was largely constructed prior to 1990 with 76% of units built before that year. Housing construction was strong between 1950 and 1989 with 11% to 15% of housing supply being added each decade over that period. Housing construction has since slowed with only 6% of Danbury's housing stock constructed in the 2010's.

Housing permit activity over the ten-year period from 2011 to 2020 reveals significantly more permits issued prior to 2015 than in the five years spanning from 2016 to 2020. If the current rate of housing unit construction (as suggested by housing permit trends) continues, Danbury is likely to see an increase of 4% in its housing supply over the ten-year period beginning in 2016. The issuance of a building permit does not affirm that the unit was constructed within the same year or at all. Hence, housing permits issued over the past decade exceed units added to the City's supply (as documented by census data).



Source: American Community Survey 2016-2020



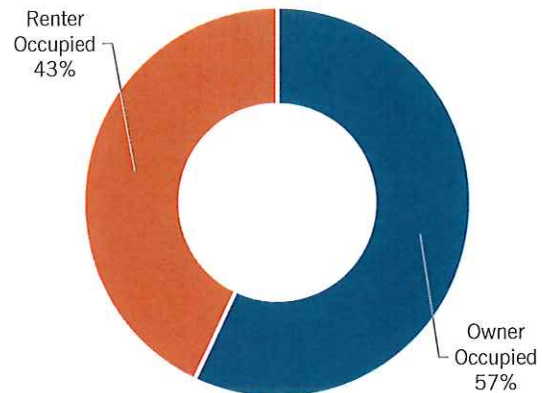
Source: CT Department of Housing

Owner-occupied homes comprise 57% of Danbury's housing stock with 43% of homes being renter occupied. While data is not available regarding the share of single-family homes that are owned versus rented, it is likely that most of the City's single-family homes are owner-occupied.

The City's housing supply is largely comprised of single-family detached homes (43%). The remaining 57% of supply is comprised of single-family attached homes (townhouses), multifamily, and apartment units ranging from two to twenty units or more. Mobile homes comprise less than 1% of Danbury's housing stock.

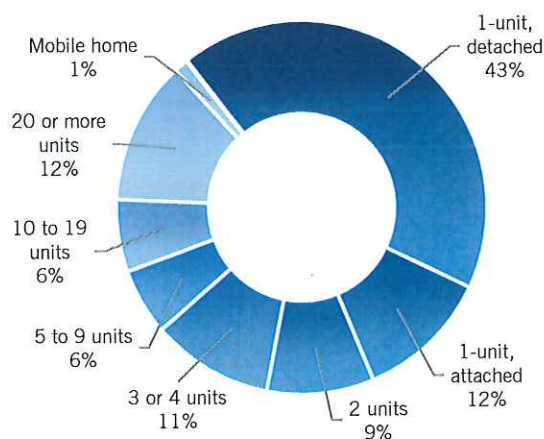
Danbury's housing consists of a range of unit sizes with most (64%) of the City's inventory being two or three-bedroom units. An equal share of units are studio units (4%) and five or more bedroom units (4%). Similarly, both one-bedroom and four-bedroom units comprise an equal share of housing in Danbury with each representing 14% of housing units. Overall, housing unit type and size varying considerably across the City with a range of housing types present although single-family residences are the most abundant housing type.

**Owned vs Rental Housing
(2020)**



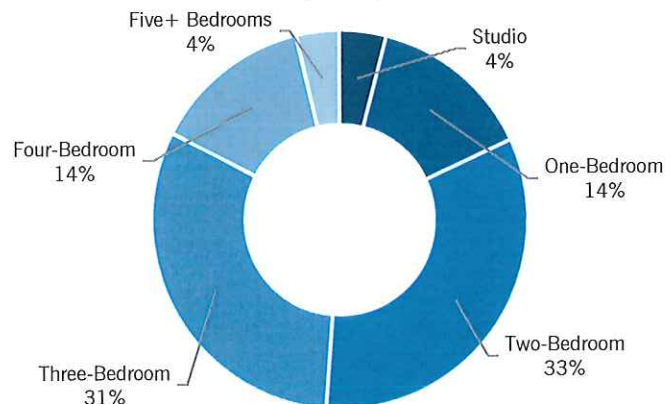
Source: American Community Survey 2016-2020

**Housing Type
(2020)**



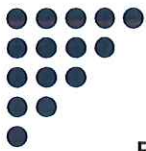
Source: American Community Survey 2016-2020

**Housing Unit Composition
(2020)**



Source: American Community Survey 2016-2020





Economic Indicators

Median household income in Danbury was \$73,204 in 2020 according to the 2020 American Community Survey.

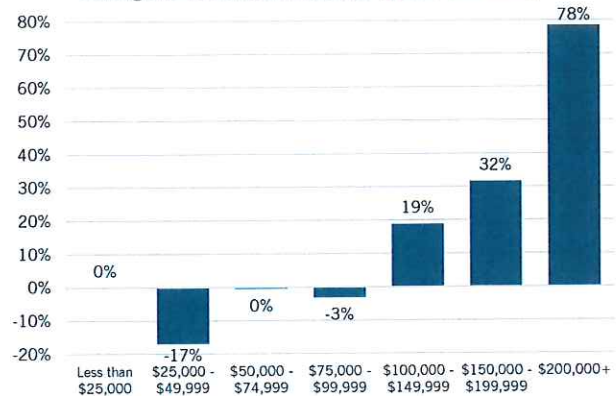
Danbury experienced an overall increase in household incomes between 2010 and 2020 with a greater share of households earning \$100,000 per year or more and fewer households earning less than \$100,000 per year. The greatest gains (a 78% increase) were seen in households earning \$200,000 per year or more. This overall increase in household income is accompanied by housing sales prices and rents as discussed below.

Most of the growth in household income was driven by renter households. The number of renter households earning \$50,000 per year or more grew significantly with the number of households earning more than \$150,000 per year more than doubling between 2010 and 2020. Accompanying this dramatic growth in higher income renter households was an increase in rental cost over the same period. By comparison, the growth in owner households with income above \$150,000 per year was 44%; about one-third the growth of renter households.

Although renter household incomes have increased, the share of renter households that are housing cost burdened is twenty percentage points higher than owner households. *A household is considered housing cost burdened if it spends 30% or more of household income on housing costs.* Based upon the most recent data available (2018), 51% of renter households are housing cost burdened or severely housing cost burdened compared to 31% of owner households. Severe housing cost burden (greater than 50% of household income spent on housing) is most heavily experienced by renter households. The share of renter households with severe housing cost burden (25.6%) is more than twice as high as owner households (12.3%) with housing cost burden.

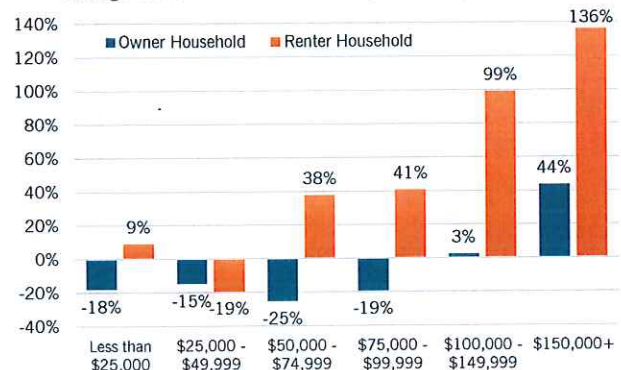
The economic trends experienced by Danbury's households over the past decade suggests that Danbury is becoming a wealthier community, but that increase in wealth has not been experienced by all its households and residents. Because the City's housing stock has grown at a relatively slow rate, upward pressure has been placed on housing value and cost. This trend is most heavily impacting households at lower income levels that have not benefited from income growth commensurate with the increase in housing costs experienced.

Change in Household Income (2010 vs 2020)



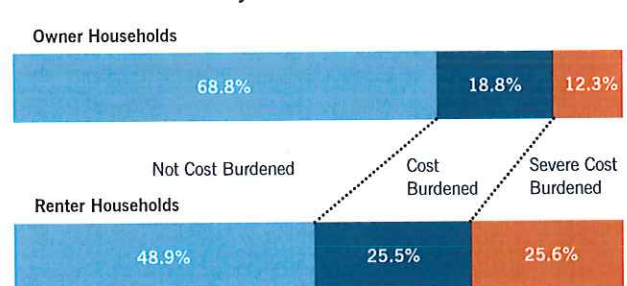
Source: 2006-2010 & 2016-2020 American Community Survey

Change in Household Income by Tenure (2010 vs 2020)



Source: 2006-2010 & 2016-2020 American Community Survey

Cost Burden by Household Tenure (2018)



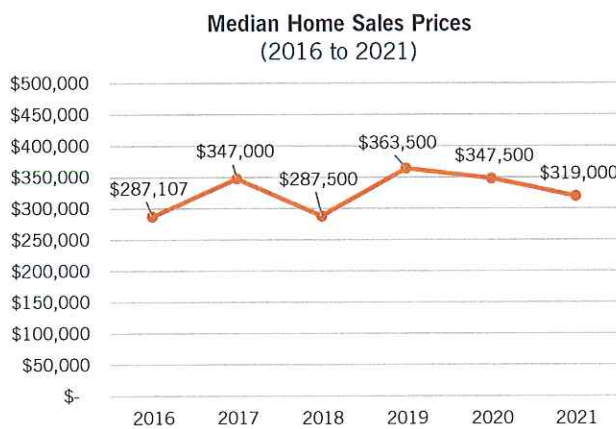
Source: HUD 2018 CHAS Data

Housing Market Assessment

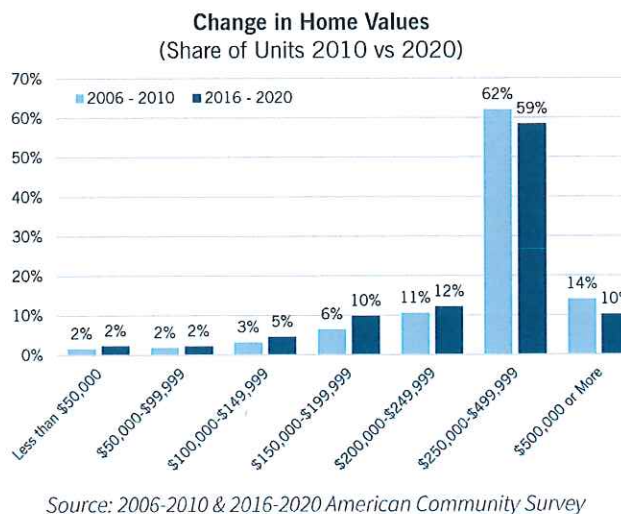
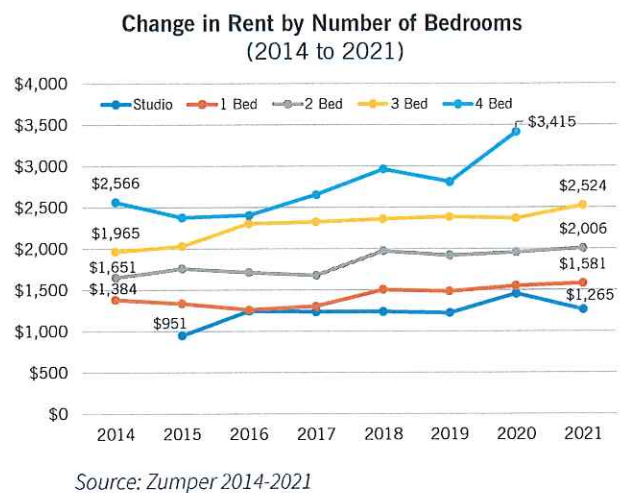
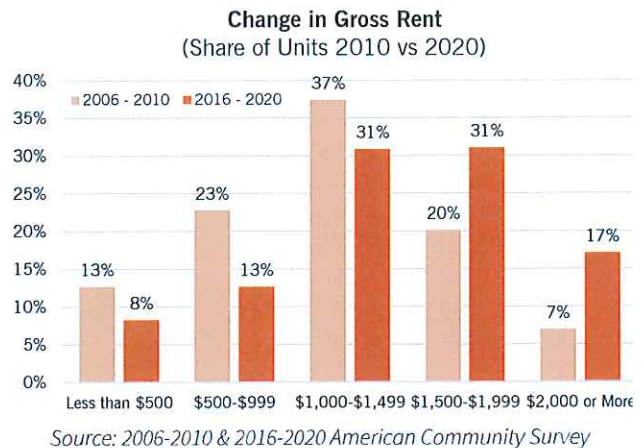
Between 2010 and 2020 the share of rental units in Danbury renting below \$1,500 per month dropped while the share of units above \$1,500 per month grew. Units rented at between \$1,500 and \$1,999 per month grew by 55% and units rented at \$2,000 or more grew by 142%. This was coupled by a 38% loss in the share of rental units that cost less than \$500 per month and a 43% decrease in the share of units renting below \$500 and \$999 per month.

Between 2014 and 2021 rental costs increased across all sizes of rental units. The most significant increase (33%) was experienced in housing units with four or more bedrooms. The average rental cost of a four-bedroom unit in Danbury was \$3,415 in 2020. The cost of studio units also increased, with a 33% increase in the cost of those units over a six-year period. As of 2021, the average monthly rent of a studio unit in Danbury was \$1,265 per month.

Home values and sales prices remained stable over the past decade relative to rental costs. The share of homes in Danbury valued below \$250,000 grew marginally between 2010 and 2020 while the share of homes valued at \$250,000 or more contracted over the same period. Median sales prices fluctuated from year to year between 2016 and 2021 with a peak of \$363,500 in 2019 compared to \$319,000 in 2021. Available data sources do not yet capture the expected pandemic related inflation of housing value or sales prices. These value and sales price impacts are likely to have a sustained impact on Danbury's housing market.



Source: Redfin 2016-2021



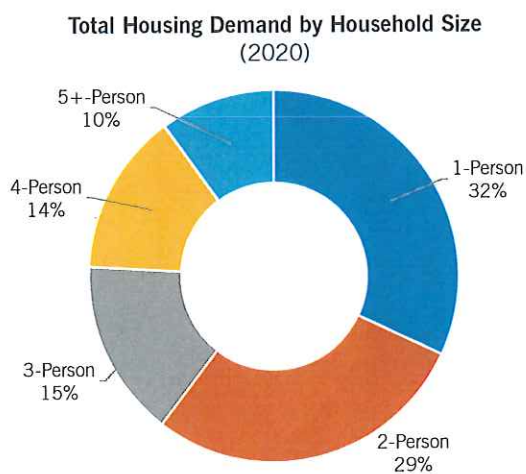


Gap Analysis

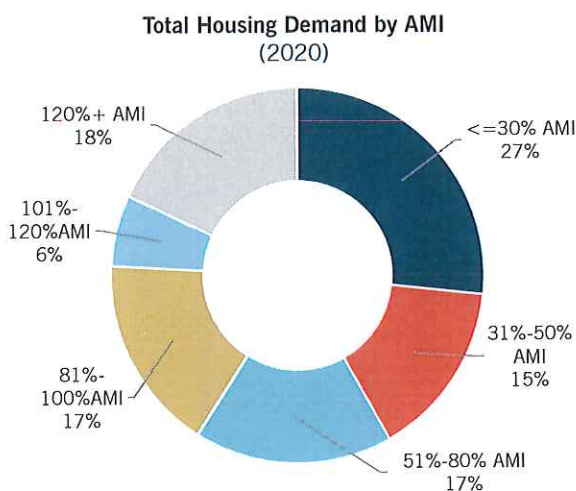
The housing gap analysis compares existing housing supply and cost relative to housing need and demand as established by Danbury's population size, number of households, household size, and household income. The gap analysis is comprised of three elements: a future demand analysis, ownership gap analysis, and renter housing gap analysis. The "gap" refers to the number of housing units needed at specific price points to meet need.

Gap Analysis: Future Demand

Based upon demographic trends and population projections conducted by the State, 61% of housing demand in Danbury over the next decade will be driven by one and two-person households. Housing demand in Danbury is well distributed across income brackets with 59% of demand coming from households earning 80% or less of area median income (AMI). The AMI for the Danbury area is currently \$104,400 annually per household. Households with very low income (30% AMI or less) represent 27% of Danbury's housing demand.



Source: 2016-2020 American Community Survey, City of Danbury, CT DECD, RKG Associates



Source: 2016-2020 American Community Survey, City of Danbury, CT DECD, RKG Associates

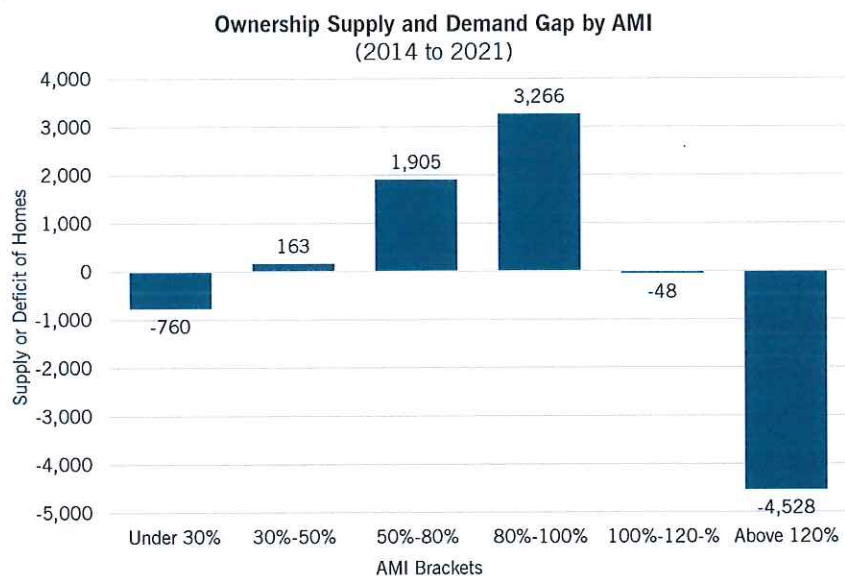
Gap Analysis: Ownership Housing

As of 2020, Danbury had 17,713 owner households. Over one-third (35.6%) of those households earn 80% or less of the area median income (AMI). These 6,310 households are considered low, very low, or extremely low income. The upper range of an affordable single-family home purchase price with a conventional mortgage for these households is \$301,476 for low income, \$217,362 for very low income, and \$130,334 for extremely low income households. Affordability limits for federally backed or insured loans from the Federal Housing Administration (FHA) are lower than for conventional loans as are the affordability limits for condominium homes.

Area Median Income Threshold	Income	Owner Households		Affordable Home Purchase Price			
		#	%	FHA		Conventional	
				Single Family	Condo	Single Family	Condo
30% AMI (Extremely Low Income)	\$31,300	1,867	10.5%	\$104,033	\$76,422	\$130,334	\$94,576
50% AMI (Very Low Income)	\$52,200	2,332	13.2%	\$173,499	\$145,889	\$217,362	\$181,604
80% AMI (Low Income)	\$72,400	2,111	11.9%	\$240,639	\$213,028	\$301,476	\$265,718
100% AMI (Moderate Income)	\$104,400	3,321	18.7%	\$346,999	\$319,388	\$434,725	\$398,967
120% AMI (Moderate Income)	\$125,280	1,703	9.6%	\$416,398	\$388,788	\$521,670	\$485,912
Above 120% AMI (Middle Income +)	\$125,281+	6,379	36.0%	\$416,399+	\$388,789+	\$521,671+	\$485,913+

Source: HUD 2021, 2016-2020 ACS, RKG Associates

Danbury has a shortage (760 fewer than demand) of ownership homes at home values affordable to households earning less than 30% of AMI. Danbury also has a lack of supply of homes (4,528 fewer than potential demand) that are within the upper affordability ranges of households earning 100% or more of AMI. The lack of higher value homes that are affordable to upper income households results in additional demand for available homes that are priced lower, driving up the value of homes affordable to households earning 30% to 100% of AMI.



Source: HUD 2021, 2016-2020 ACS, RKG Associates

This analysis suggests that there is a clear need for ownership housing that is affordable to very low income households and that the development of additional ownership housing affordable to upper income households may free up homes affordable to moderate income households. More specifically, the development of ownership units with sale prices at or below \$240,639 should be the focus of efforts to expand affordable ownership housing supply in Danbury and special attention should be paid to increasing the supply of ownership opportunities for extremely low-income households.





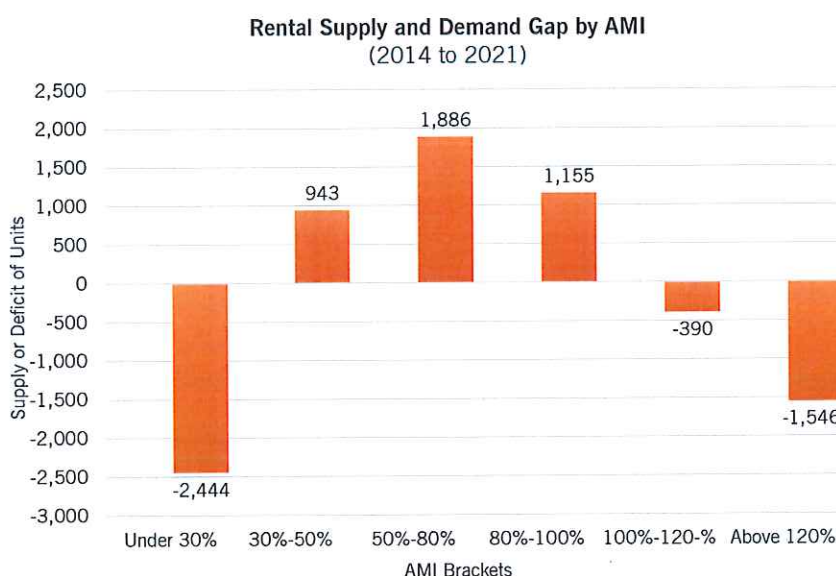
Gap Analysis: Renter Housing

Danbury had 13,363 renter households in 2020. Two-thirds of these households earn 80% or less of area median income. This includes 8,839 households in Danbury that have annual household incomes of \$72,400 or less. The upper limit of affordable rent for these households is \$1,810 for low income households (80% AMI), \$1,305 for very low income households (50% AMI), and \$783 for extremely low income households (30% AMI).

Area Median Income Threshold	Income	Renter Households		Affordable Monthly Rent
		#	%	
30% AMI (Extremely Low Income)	\$31,300	4,223	31.6%	\$783
50% AMI (Very Low Income)	\$52,200	2,118	15.8%	\$1,305
80% AMI (Low Income)	\$72,400	2,498	18.7%	\$1,810
100% AMI (Moderate Income)	\$104,400	2,179	16.3%	\$2,610
120% AMI (Moderate Income)	\$125,280	675	5.1%	\$3,132
Above 120% AMI (Middle Income +)	\$125,281+	1,670	12.5%	\$3,133+

Source: HUD 2021, 2016-2020 ACS, RKG Associates

Danbury has a shortage (2,444 fewer than demand) of rental units affordable to households earning less than 30% of AMI. Danbury also has a lack of supply of rental units (1,936 fewer than potential demand) that are within the upper affordability ranges of households earning 100% or more of AMI. The lack of higher priced rental units that are within the affordability range of upper income households results in additional demand for lower cost units, driving up rental cost of units affordable to households earning 30% to 100% of AMI.



Source: HUD 2021, 2016-2020 ACS, RKG Associates

This analysis suggests that there is a clear need for rental housing that is affordable to very low income households. Also, the development of additional rental housing affordable to upper income households may free up rental units that are affordable to moderate income households and could soften the market and stabilize costs for units in that affordability range. More specifically, the development of rental units with a monthly rent below \$1,810, and especially those below \$783 per month should be the focus of efforts to expand affordable rental housing supply in Danbury.

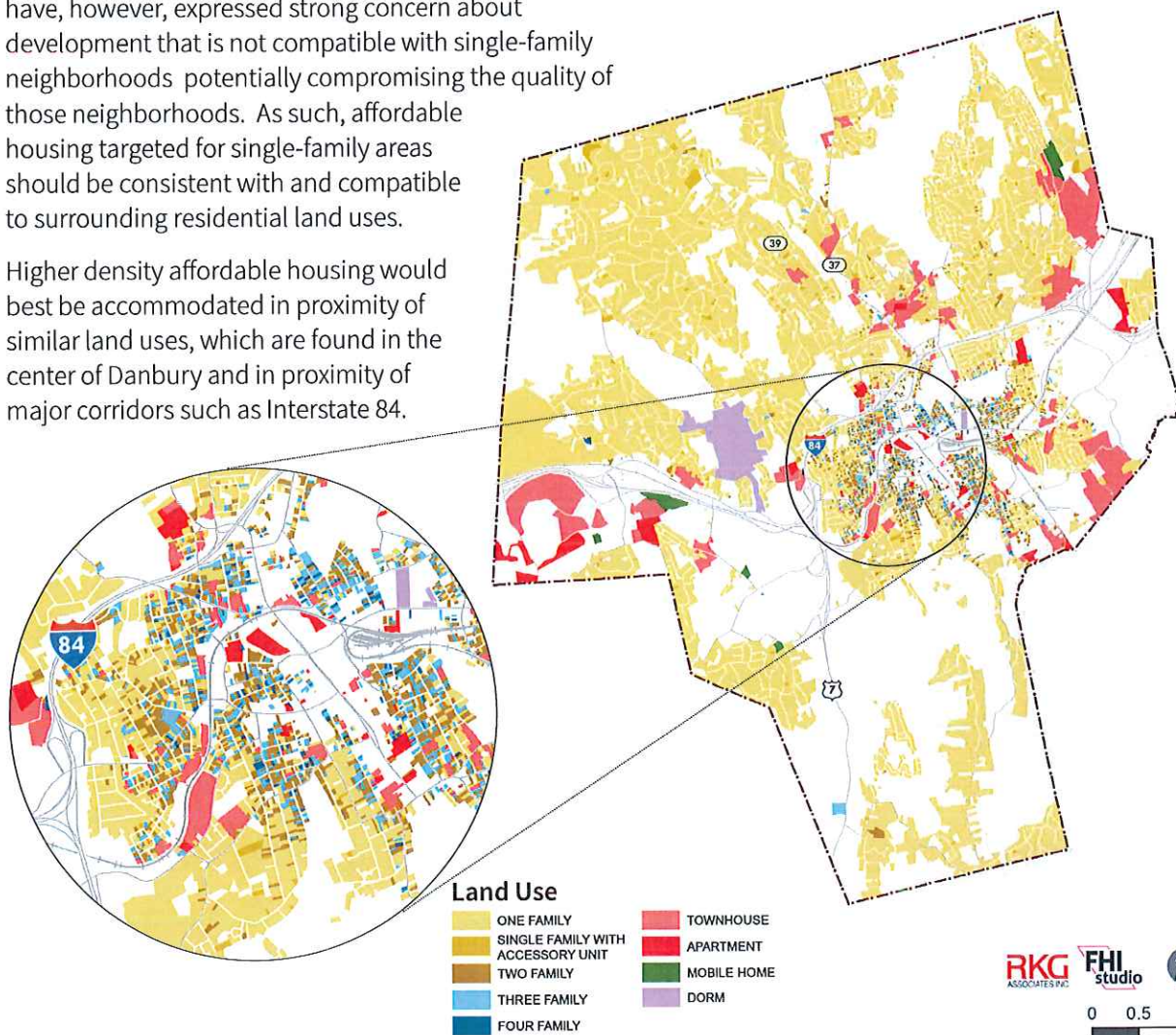
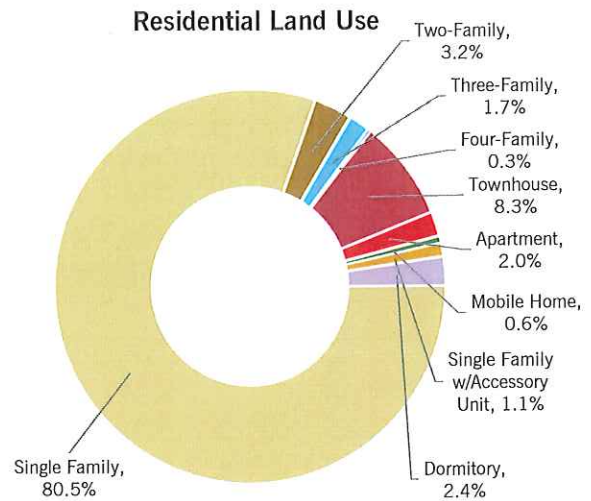
Land Use, Zoning Assessment, and Administrative Framework

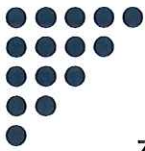
Land Use Assessment

Danbury's residential land use is overwhelmingly (80.5%) occupied by single-family residences. Multi-family and apartment building properties comprise approximately 7% of Danbury's land use. Townhouses, multi-family houses, and apartment properties are concentrated in the central and eastern areas of the City and in a cluster at the western edge of the City.

Based upon these land use characteristics, single-family land use areas hold sizable potential for accommodating affordable housing units. Residents and stakeholders have, however, expressed strong concern about development that is not compatible with single-family neighborhoods potentially compromising the quality of those neighborhoods. As such, affordable housing targeted for single-family areas should be consistent with and compatible to surrounding residential land uses.

Higher density affordable housing would best be accommodated in proximity of similar land uses, which are found in the center of Danbury and in proximity of major corridors such as Interstate 84.





Zoning Assessment

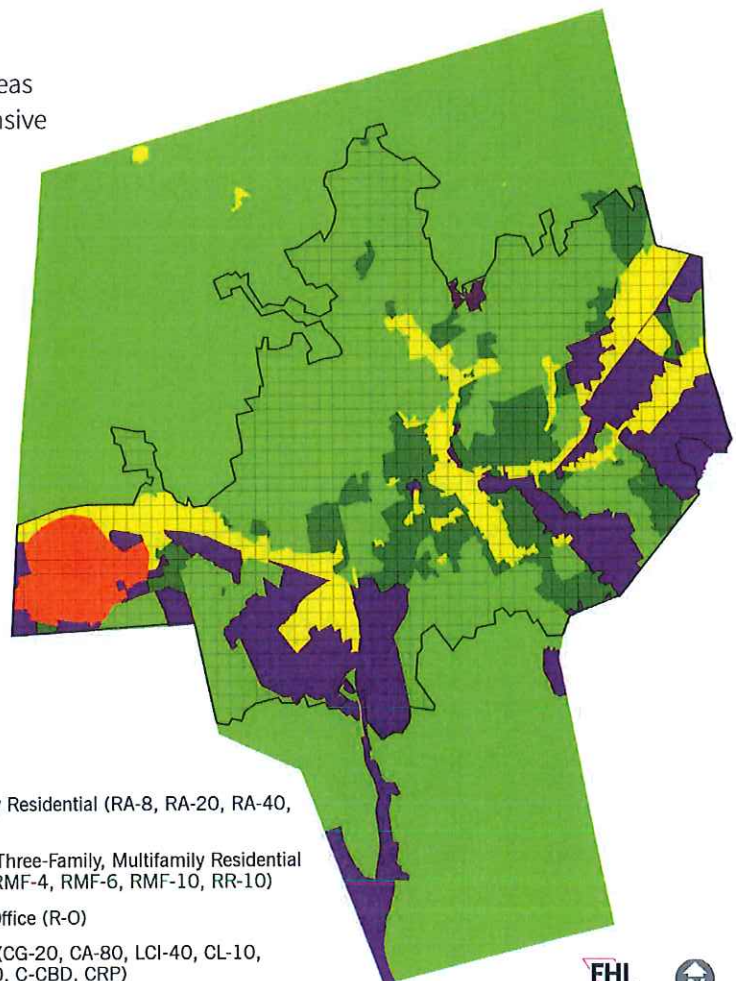
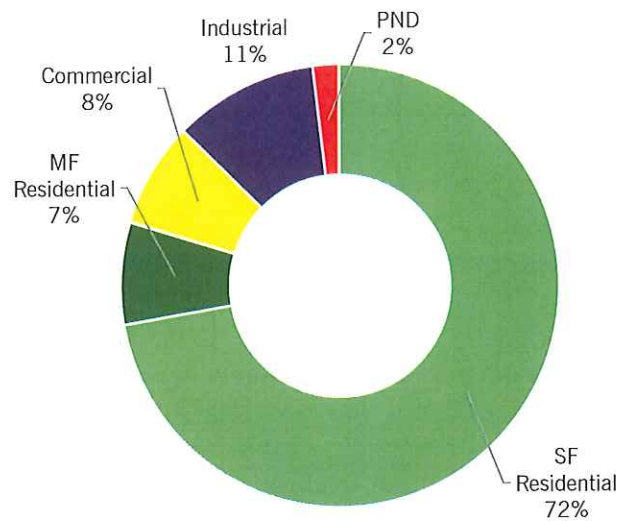
Danbury's zoning is predominantly residential with 81% of the City's land area zoned as single-family, multi-family, or planned neighborhood development residential. Of these, single-family zones are most prominent occupying 72% of Danbury's land area. Danbury's zoning is largely consistent with its land use; multi-family districts are concentrated in the core of the City surrounding the Downtown. Danbury's planned neighborhood development district, a high density mixed-use district, is located at the western edge of the City and occupies 2% of the City's land area.

By virtue of their considerable land area, single-family residential districts appear to hold the most potential for accommodating the development of new housing. Many of these districts are, however, located outside of sewer and public water service areas, which increases the cost of housing development and reduces the viability of providing housing that is affordable. The most limiting of these service areas is the City's sewer service area which is less extensive than the public water supply area. As shown on the map at right, the City's sewer service area encompasses nearly all of Danbury's commercial zoning districts and multifamily residential districts but only a share of the City's single-family residential districts.

Given the location of existing multi-family and commercial zoning districts within the sewer service area, these districts are likely favorable for the provision of new affordable housing supply, particularly those at higher densities. Single-family districts may also be considered for affordable housing development, but such development may be limited by location within a sewer or public water supply area or by density if outside of such a service area.

As noted on the chart on the following page, Danbury's zoning regulations allow the development of a range of housing types across its residential, commercial, industrial, and special districts. Housing options

Share of Land Area by Zoning District Type



Zoning

- Single Family Residential (RA-8, RA-20, RA-40, RA-80)
- Two-Family, Three-Family, Multifamily Residential (R3, RH-3, RMF-4, RMF-6, RMF-10, RR-10)
- Residential Office (R-O)
- Commercial (CG-20, CA-80, LCI-40, CL-10, CN-5, CN-20, C-CBD, CRP)
- Industrial (IL-40, IG-80)
- Planned Neighborhood Development (PND)
- Existing and Proposed Sewer Service Area



beyond single-family residences are favorable with respect to housing affordability as higher density housing units generally cost less to build than lower density single-family units and therefore may cost less to purchase or rent. Additionally, the allowance of various forms of housing for an aging population such as congregate housing, nursing homes, and continuing care facilities in a range of districts addresses the needs of Danbury's aging population.

- Two or Three Family Dwellings: Much of this existing housing stock has its origins in the early 20th century in the form of stacked apartments. New development types are often side-by-side construction.
- Rowhouse or Townhouse: These are single-family side-by-side attached units.
- Garden Apartments or Apartment Buildings: Multiple units in one or more buildings.
- Age Restricted: Housing for those 55 and older.
- Congregate Housing: A multi-family development consisting of independent living with assisted care.
- Continuing Care Facility: A facility for the transitional residency of elderly and/or disabled persons, including congregate housing and a nursing home.
- Nursing Home or Assisted Living: A facility that provides licensed nursing care services or other assistance for permanent residents.
- Cluster Development: A development that concentrates buildings in specific areas of a site to allow the conservation of open space. Clustering of units may also reduce construction cost and potentially reduce sales prices.
- Housing Incentive Option: This option is intended to increase the supply of desirable and affordable housing in the City. Under this option, increased density is permitted for selected residential uses provided that additional design criteria are met, and that affordable housing constitutes a portion of all units so constructed.
- Housing Redevelopment Option: Encourages the replacement of deteriorated apartment houses, garden apartments, row houses, or two and three family dwellings with new housing by allowing the construction of new units to be equal to the number of units demolished regardless of zoning district density limitations.

Zoning Summary: Attached, Multi-Unit, Age Restricted, and Incentive Based Housing by District																			
Housing or Development Type	RA-8	RA-20	RA-40	RA-80	RMF-4	RMF-6	RMF-10	R-3	RH-3	RR-10	R-O	PND	CG-20	CA-80	LCL-40	CL-10	C-CBD	CRP	IL-40
2 or 3 Family Dwellings					✓	✓	✓	✓	✓		✓	✓			✓		✓	✓	
Rowhouse or Townhouse					✓	✓	✓		✓	✓		✓					✓	✓	
Garden Apartments or Apartments					✓	✓	✓		✓	✓		✓					✓	✓	
Age-Restricted												✓							
Congregate Housing					✓	✓	✓	✓	✓			✓	✓	✓		✓	✓		✓
Continuing Care					✓	✓	✓	✓	✓			✓	✓	✓		✓	✓		✓
Nursing Home or Assisted Living					✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓		
Cluster Development		✓	✓	✓			✓												
Housing Incentive Option					✓	✓													
Housing Redevelopment Option					✓				✓										





Zoning Dimensional Requirements

Dimensional requirements for the use of land affects how land is developed and impacts development costs. Various dimensional standards such as building height, setbacks, building coverage, and on-site parking requirements also limit the density of development on a parcel. Density, specifically in terms of housing units, affects development economics, with higher density development typically associated with lower development cost per dwelling unit. While density may reduce construction cost, higher density development often places a heavier burden on infrastructure, has a more substantial impact on stormwater runoff, and must be located and designed appropriately to avoid adverse impacts to lower density uses in the surrounding area. To incentivize the creation of affordable housing in appropriate locations, particularly in higher density zoning districts Downtown, the City may wish to consider amending certain zoning requirements after further assessment.

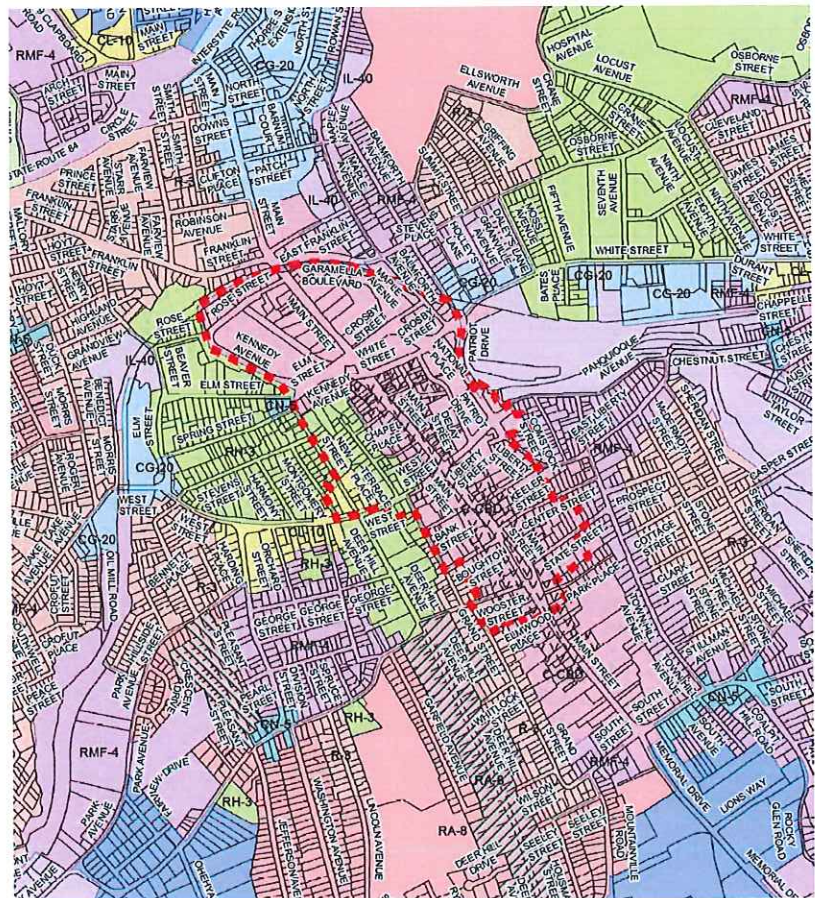
Downtown Zoning

Downtown Danbury and the immediate surrounds are comprised of multiple zoning districts that include residential, commercial and industrial zoning districts such as the C-CBD, R-3, RA-8, RH-3, RMF-4, CN-5, CG-20, CL-10, IL-40, and overlay districts such as the Main Street Historic Overlay and the Downtown Revitalization Overlay. As noted in the table on the previous page, these districts vary significantly in the housing allowed with few of the districts allowing apartment development and only the RMF-4 providing a housing incentive option for affordable housing.

The Downtown area was the subject of considerable attention of the 2019 Transit Oriented Development Study. That study recommended multiple zoning amendments aimed at improving the vitality of the Downtown and supporting redevelopment and infill development with a focus on introducing new housing to the Downtown and increasing Downtown's population.

Multiple residents and stakeholders have expressed support for the concept of increasing housing supply in the Downtown and amending the City's zoning regulations to support housing development in and proximate to Downtown. This feedback was received through the course of developing this Plan and the 2023 Plan of Conservation and Development. Specific recommendations include consolidating many zoning districts in and near the Downtown into a new district that would allow high-density residential development and including incentives for the development of affordable housing.

Downtown Zoning Districts



Source: City of Danbury

Accessory Apartments

In 2015, the Zoning Commission removed a regulation that had allowed the construction of accessory apartments in all single-family dwellings in zones that allow single-family dwellings. The accessory apartments had been permitted subject to meeting certain additional requirements and upon issuance of a grant of special exception. Recently, the Commission as well as the City Council have “opted out” of a new State requirement regarding the provision of accessory apartments. The decision to opt-out was to enable the City to promulgate its own new regulations that meet the needs of its residents. To increase the supply of affordable housing in Danbury, the City should, among other requirements, consider again allowing accessory apartments with the requirement that accessory apartments be affordable.

Administrative Framework

The City has an administrative framework comprised of multiple departments, programs, ordinances, and policies that work towards preserving housing supply, maintaining the safety and quality of housing, providing housing assistance, and expanding the City’s supply of affordable housing. These include but are not limited to:

The Department of Health and Human Services: The Department of Health and Human Services is responsible for the preservation and promotion of the public health and for the provision of social services, including improving access to housing, emergency shelter, and medical care among other varied duties. Per the Code of Ordinances, the Department is the implementing agency for affordable housing. The Department works in conjunction with the Department of Planning and Zoning to implement and oversee zoning regulations permitting the construction of affordable dwelling units in excess of applicable density limits as established.

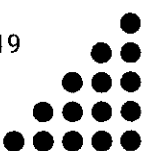
The Department of Planning and Zoning: Among other duties, the Department of Planning and Zoning oversees the Zoning Regulations as adopted by the Zoning Commission. Zoning Regulations have been amended over time to include provisions that provide for the construction of affordable housing. As noted above, it works in conjunction with the Department of Health and Human Services related to issues of affordable housing and the administration thereof. The Department, with other departments and agencies, provides information to the State Department of Housing for preparation of the State Affordable Housing Appeals list. It also is responsible for coordinating the orderly development of the City through the City’s Plan of Conservation and Development.

Tax Assessor’s Office: The Office is a division within the City’s Department of Finance. In addition to its other duties, the Office administers State and City tax exemption programs and determines applicant eligibility for such programs.

The Housing Authority of The City of Danbury: The Authority’s mission, in support of the City of Danbury, is to provide for safe, affordable and decent housing within the City of Danbury. The Authority is primarily funded through the US Department of Housing and Urban Development. It manages several communities receiving financial assistance under various governmental programs for low and moderate income persons and families and administers a public housing program via issuance of tenant rental assistance housing unit vouchers.

Danbury Housing Partnership: Section 20-27 of the Code of Ordinances established the Danbury Housing Partnership. In 2006 this Ordinance was amended as a result of the completion of the City’s Ten Year Plan to End Homelessness to focus on this specific issue. However, established duties include more broad duties to ensure that the housing needs of the community are met and to make recommendations to create additional affordable housing in Danbury. Although active for several years following completion of the Ten Year Plan, the Partnership has not met since 2015. The Partnership offers an opportunity for a renewed designation of a group to spearhead preservation, creation, and monitoring of affordable units in Danbury.

Outside Organizations: Multiple organizations outside of the City are engaged in addressing the needs of the most vulnerable residents across the region and state. These include, but are not limited to, Opening Doors Fairfield County and Continuum of Care Incorporated.





Affordable Housing Vision Statement

Danbury will foster the sustainable growth of quality housing that will accommodate and be accessible to all residents, through different stages of life, with a focus on inclusion, equity, and affordability.

Implementation Plan

The implementation Plan below organizes this Plan's goals and strategies and identifies the entities responsible for acting on those strategies. The priority level identified for each strategy suggests the sense of urgency of taking action based upon the potential effectiveness of that strategy in meeting immediate needs and the significance of the need that would be addressed by that strategy.

Goal 1: Increase the supply and range of affordable housing in Danbury and maintain an affordable housing inventory in excess of existing supply.			
Strategies	Lead Entity	Partner Entity	Priority
1. Monitor existing affordable housing inventory and offer incentives to encourage homeowners to extend affordable housing deed restrictions beyond existing expiration dates.	Health & Human Services, City Council	Planning & Zoning, Tax Assessor	Medium
2. Monitor supply and coordinate with HACD to ensure maximum number of vouchers are assigned and used in Danbury.	Housing Authority	Health & Human Services, Planning & Zoning	High
3. Partner with institutions to establish affordable housing in Danbury (e.g. partner non-profits and/or health systems).	Health & Human Services	Office of Business Advocacy, Mayor's Office	Low
4. Implement inclusionary zoning (per CGS 8-2i) that requires the provision of affordable units (targeting households earning 50% or less of area median income) in all multifamily developments with ten or more dwelling units and all housing developments receiving tax deferrals. Provide a fee in lieu of payment option that directs fees paid to Danbury's Municipal Housing Trust Fund.	Planning & Zoning	Zoning Commission City Council	High
5. Revise zoning regulations as appropriate to relax dimensional standards to support the development of affordable housing units in Downtown zoning districts.	Planning & Zoning	Zoning Commission	Medium
6. Consider removing prohibition of using the Housing Incentive Option on redevelopment under the Housing Redevelopment Option (of the Zoning Regulations).	Planning & Zoning	Zoning Commission	Medium
7. Revise zoning regulations to allow the development of affordable accessory dwelling units in appropriate residential zoning districts.	Planning & Zoning	Zoning Commission	High

Goal 2: Maintain and increase the supply of housing designed for or occupied by seniors.			
Strategies	Lead Entity	Partner Entity	Priority
1. Explore opportunities to revise the zoning regulations to allow the adaptive reuse of buildings for the development of age-restricted and other forms of housing for Danbury's aging population. Focus on districts near transit and support services.	Planning & Zoning	Zoning Commission	Medium
2. Revise zoning regulations to allow for the development of, or conversion to, multi-generational housing that provides shared living areas for multiple generations of a family in appropriate residential districts.	Planning & Zoning	Zoning Commission	Medium
3. Maintain and promote existing elderly/disabled tax credit program.	Tax Assessor	Mayor's Office, Housing Partnership	High
4. Provide support services to assist seniors to age in place.	Health & Human Services		Medium

Goal 3: Increase the supply of housing in, and proximate to, Danbury's Downtown with an emphasis on affordable units.			
Strategies	Lead Entity	Partner Entity	Priority
1. Develop a TOD Zoning District to replace existing downtown districts and downtown overlay zones with a density incentive for the creation of affordable housing. Consider expanding district north to I-84 and south to South Street.	Planning & Zoning	Zoning Commission	High
2. Relax restriction on building height in the CBD/MSHO Zoning Districts and surrounding areas to allow increased density for the provision of affordable units.	Planning & Zoning	Zoning Commission	High
3. Reduce parking requirements for Downtown residential developments that provide affordable housing.	Planning & Zoning	Zoning Commission	High





Goal 4: Foster relationships that ensure that the housing needs of the City's most vulnerable residents are met.

Strategies	Lead Entity	Partner Entity	Priority
1. Continue to work with local social service agencies and providers to ensure that the needs of the homeless are met.	Health & Human Services	Opening Doors Fairfield County, Continuum of Care	High
2. Advocate for a regional approach to addressing the issues surrounding homelessness.	Mayor's Office	Health & Human Services	High
3. Maintain the mainstream vouchers for the homeless population and continue the homeless preference for all other vouchers.	Housing Authority	Housing First Collaborative	High

Goal 5: Administer, educate, and support affordable housing initiatives.

Strategies	Lead Entity	Partner Entity	Priority
1. Direct American Rescue Plan Act (ARPA) funds received by the City towards affordable housing initiatives with a focus on programs that provide support to targeted income levels.	Mayor's Office, Finance Department	City Council	High
2. Reactivate Danbury's Housing Partnership as a committee that can advocate for the recommendations of the Affordable Housing Plan.	City Council	Mayor's Office	High
3. Support, with sister organizations and other City departments, a promotional campaign to raise awareness about the need for affordable housing.	Health & Human Services	Housing Partnership, Mayor's Office	Medium
4. Track and maintain information regarding State, Federal, and other funding sources available for the development and subsidy of affordable housing.	Mayor's Office	Health & Human Services	High
5. Maintain an inventory of Danbury's affordable and accessible housing stock and provide that information to partner organizations on a regular basis.	Health and Human Services, Building Department	Housing Authority, Permit Center	High

Goal 6: Increase the number of homes in Danbury that are accessible to those with mobility limitations or other disabilities.

Strategies	Lead Entity	Partner Entity	Priority
1. Add Universal Design provisions to the zoning regulations such as requiring that all units on the first floor of multi-story residential buildings are accessible and that building features are provided to ensure that seniors and disabled residents have adequate and accessible housing options.	Planning & Zoning	Zoning Commission	Medium
2. Continue to strictly enforce building regulations requiring accessible features in new and remodeled housing and track the development of such units.	Building Department	Permit Center	Medium
3. Explore the use of incentives to encourage apartment building owners to convert non-accessible units to accessible units.	Housing Partnership	Planning & Zoning, Building Department	High

